

CORRECTED FISCAL NOTE

SB 1717 - HB 2104

March 12, 2007

SUMMARY OF BILL: Requires Economic and Community Development (ECD) to establish a program (ConnectTN) designed to provide access to computer technology and the internet via broadband technology to Tennesseans living throughout the state. Identifies the specific goals for the program. Authorizes ECD to enter into agreements with not-for-profit organizations to implement program. Requires the Commissioner of ECD to appoint an advisory council of local government leaders to assist in the implementation of this program.

ESTIMATED FISCAL IMPACT:

On March 5, 2007, we issued a fiscal note for this bill indicating an *increase to state expenditures exceeding \$2,000*. Based on new information, the estimated fiscal impact for this bill is:

(CORRECTED)

Increase State Expenditures – \$2,000

Assumptions:

- According to ECD, the department is currently processing a three-year contract (to become effective March 2007), for developing eCommunity Leadership Teams, increasing the availability and use of broadband technology in the state, and increasing home computer ownership.
- The state of Kentucky developed a very similar program in October 2004 as the program proposed in this legislation. Initial studies for Kentucky revealed that broadband technology was available to approximately 60% of Kentucky households prior to program implementation.
- According to ECD, broadband access is currently available to over 90% of Kentucky households. Kentucky expects to be at 100% by the end of calendar year 2007.
- Broadband technology is currently available to 60% of Tennessee households.
- According to ECD, the department believes that the above-mentioned contract will meet the intent and provisions of this legislation.

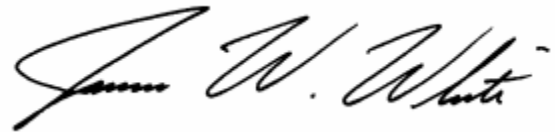
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- The advisory council of local government leaders is estimated to consist of at least five individuals.
- The advisory council members will meet one day each quarter and will be reimbursed for reasonable expenses incurred as a result of serving on the advisory council.
- The increase to state expenditures related to the expenses of advisory council members is estimated to be \$2,000 per year.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director